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TAGS: [PGOV](#) [PREL](#) [MARR](#) [KOCI](#) [EAID](#) [PHUM](#) [NP](#)  
SUBJECT: AMBASSADOR'S FEBRUARY 27 MEETING WITH PRIME  
MINISTER DAHAL

Classified By: AMBASSADOR NANCY J. POWELL FOR REASONS 1.4 (B/D)

11. (C) Summary: Ambassador met with PM Dahal on February 27 to provide observations following Department consultations and the recent A/S Boucher visit to Nepal. PM Dahal appeared to understand that any USG terrorism de-listing action relied largely on future Maoist actions, including clear steps, both in word and deed, to reject terrorism and rein in violence and end impunity, particularly where the Maoist Young Communist League (YCL) was concerned. The PM solicited Ambassador,s views on integration/ rehabilitation of PLA cadres, and also on the ongoing Army recruitment saga. Ambassador commended the PM on the formation/operation of the Special Committee, noted that integration needed to be a consensual, Nepali-led decision, urged haste in reaching an agreement, and called for greater communication between the MoD and the Nepal Army. Ambassador said that USG assistance levels were likely to continue at approximate current levels, but not grow significantly in the short term. She underscored growing Department and Congressional interest in the adoption issue which required the PM,s attention. Ambassador also presented copies of the 2008 Human Rights Report on Nepal to the PM, noting continuing concerns with YCL and Terai violence and press freedom issues, among others. End Summary.

Meeting at Singha Durbar  
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12. (U) Ambassador and DCM met with Prime Minister Pushpa Kamal Dahal on February 27 at his Singha Durbar office in Kathmandu. The Prime Minister,s Foreign Affairs Advisor Hira Bahadur Thapa and Padhumna Shah, Joint Secretary for Europe and the Americas at the Ministry of Foreign Affairs, were also in attendance.

Maoist Terrorism Designations  
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13. (C) Clearly of interest to the PM, Ambassador,s comments on the terrorism designations were closely followed. She pointed out that the onus for moving ahead on any delisting effort mainly rested with the Maoists at this point. Many in the USG policy apparatus were either against or agnostic to removing the Maoists from the USG terrorism lists. Continued YCL excesses, Maoist human rights abuses, and lack of clear signals from the PM and Maoist leadership drew into question their commitment and undermined chances for de-listing. Attacks on the media by Maoist cadres, the PM,s own

statements vaguely suggesting the need for a secondary "revolution," and a failure to reject and rein in extremist voices from his own party did not provide enough evidence to support moving ahead. A clear rejection of terrorism in word and deed, and addressing YCL violence and extortion were essential. Ambassador noted Maoist cooperation in providing fuller information regarding the killings to two Embassy security personnel in 2001 and 2002, but pointed out that we fully expected the Maoists to accept responsibility for the killings to the families of the deceased, and to disclose the information to the Nepal Human Rights Commission. Additional information regarding the 2004 attack on the American Center was also still needed. The PM responded by noting that he had made anti-terrorism remarks in the past: following the Mumbai attacks, and subsequently, when his own personal assistant was shot and wounded in Kathmandu by an unknown assailant. The Ambassador suggested a broader statement renouncing violence would be helpful, as did A/S Boucher on February 11.

#### Integration/Rehabilitation and Recruitment

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¶4. (C) The PM asked for the Ambassador's take on military integration/rehabilitation, and the ongoing recruitment saga. The Ambassador responded that progress on the cantonments needed to be both quick and correct. She suggested that immediate movement on the discharge of the identified 4,000 non-combatants, working with UNDP and UNICEF on planning would be helpful; the PM agreed and said the process had already begun. Ambassador noted that integration and rehabilitation modalities needed to have a Nepali solution, but urged haste in making the difficult decisions on integration and other options facing former Maoist army fighters. She emphasized the USG view that limited integration into the Army, based on individual choice, would best suit the process, but that wholesale integration by larger units posed significant problems. On the recruitment issue, Ambassador noted the USG view that military subordination to elected civilian authority was a key value, but that the elected government also was compelled to conduct itself in a responsible and informed manner. The same message had been given to the Chief of Army Staff Katawal. The PM, in response, noted that there was now "no problem with the Army," and commented on his own attendance at Army Day celebrations earlier in the week as evidence of growing communication.

#### Foreign Assistance

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¶5. (C) Ambassador noted requests from the PM and Finance Minister Bhattarai, raised during meetings with visiting Assistant Secretary for South and Central Asian Affairs Richard Boucher February 11-12, asking for sharply increased levels of development assistance. Noting that while the USG was pleased to see its assistance and programs continue, there was little chance that any significant increases in USG aid would be forthcoming in the short term based on her consultations in Washington. A greater focus, and well-thought-out National Development Framework, to be presented by the GON in May, would be very helpful as the USG reviewed its funding priorities.

#### Adoptions

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¶6. (C) The Ambassador raised the issue of third country adoptions, particularly those families considered "transition" cases, which had been suspended between old and new regulations when new guidelines were promulgated last year. She noted her recent briefings in Washington with Senator Feinstein, and staffers representing more than a dozen Members of Congress as indications of how seriously American legislators viewed the current impasse, and urged a speedy and humanitarian consideration of these cases. PM Dahal acknowledged receiving the letter from Senator Feinstein, as well as a separate letter signed by more than a

dozen Members of Congress, and that he was working with the Ministry of Women, Children, and Social Services to reach a decision. He gave no hint of how the GON would proceed. (Note: PM Dahal rejected a request for a brief joint French and American meeting to discuss adoptions prior to the February 27 meeting; Ambassador noted that the situation required the PM,s attention, and indicated that we would be renewing the request to meet on the issue. End note).

#### Human Rights Report

17. (C) The Prime Minister received two copies of the 2008 Human Rights Report for Nepal from the Ambassador, briefly noting media coverage of the report earlier that day. The Ambassador highlighted continuing USG concerns, particularly on persisting abuses by the Maoist Young Communist League (YCL), violence in Nepal,s troubled Terai region where impunity was all too common, and press freedom issues, among others. The PM offered no substantive response. (Note: Subsequently, on March 1, the PM did make a strong statement on the GON,s commitment to press freedom, and acknowledged past problems. End note).

#### Peace Corps

18. (C) Ambassador briefly mentioned that, conditions permitting, she would like to begin preliminary discussions regarding a return of the Peace Corps to Nepal. A prerequisite for such a development, she noted, would be a pledge by the PM that PCVs could work unimpeded in the exposed village settings where they were normally posted, and would not be harassed or troubled by YCL cadres. The PM offered no substantive response, except to say that he would look into the issue and reply at a later time.

#### Comment

19. (C) PM Dahal,s responses to key concerns were unimpressive, but it is clear that he received the messages on the terrorism designations, on the USG,s human rights concerns, and regarding American views on the YCL and impunity issues. Whether he takes action to address them is another matter. His responses to most issues/concerns were short, vague, or lacking in specifics. His most animated moment came during a power cut which left the meeting room in the dark, remarking that this "had never happened before" at his offices in Singha Durbar. For the remainder of the Nepali nation, dealing with 14-hour-per-day load shedding, that statement should be outrageous - if it is true.

POWELL